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The POULTRY and EGG SITUATION

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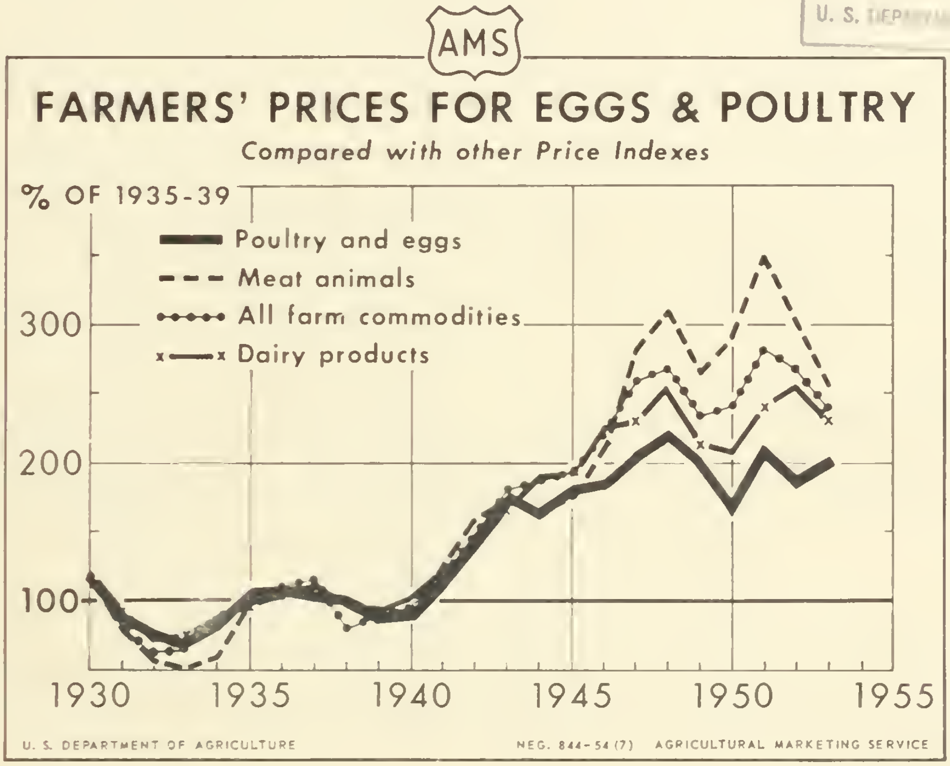

FARMERS' PRICES FOR EGGS & POULTRY

Compared with other Price Indexes

U. S. DEPARTMENT OF AGRICULTURE NEG. 844-54 (7) AGRICULTURAL MARKETING SERVICE

Egg and poultry prices have risen less since prewar than the prices received by farmers for other livestock products or the prices received for all farm commodities. This reflects the large increase in production of eggs, broilers, and turkeys resulting from improved feeding, breeding, and management methods. Despite the smaller postwar increases in poultry prices than in others, in past years the industry in general has been sufficiently profitable to induce expansion in output. The year 1953 was one of the most favorable poultry years on record.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

AGRICULTURE - WASHINGTON

THE POULTRY AND EGG SITUATION AT A GLANCE

Item	Unit	Month or date	Average 1943-52	1953	1954	Month or date	Average 1943-52	1953	1954	Comments on current situation
		EGGS								
Farm production	**Mil. doz.**	May	510.0	487.2	505.9	June	426.6	419.3	437.4	Record highs likely in each remaining month of 1954
Average number of layers on farms	**Millions**	May	341.7	318.3	327.6	June	322.6	303.1	313.5	
Rate of lay per layer	**Eggs**	May	17.9	18.4	18.5	June	15.9	16.6	16.8	
Apparent civilian per capita disappearance	**Eggs**	Apr.	34.1	35.4	35.1	May	32.5	34.2	34.6	For second half of 1954, will exceed last year
Frozen egg production	**Mil. lb.**	Apr.	76.6	64.5	70.3	May	80.2	61.6	55.4	
Dried egg production	**Mil. lb.**	Apr.	14.4	2.2	3.1	May	14.7	2.5	3.2	
Price received by farmers	**Ct. per doz.**	May	36.2	45.9	33.1	June	37.2	45.7	32.9	Lowest for June since 1950
Price received by farmers as a percentage of parity	**Percent**	May	94	109	80	June	94	107	78	
Retail price (BAE)	**Ct. per doz.**	Apr.	54.0	64.0	53.8	May	54.4	64.0	52.2	
Egg-feed price ratio	**Lb. feed**	May	10.3	11.7	8.3	June	10.6	11.8	8.4	
Stocks:										
Shell	**Thous. cases**	May 1	3,444	816	728	June 1	5,090	1,431	1,308	Shell stocks limited by outlook for record fall egg production
Frozen	**Mil. lb.**	May 1	159.2	99.0	136.5	June 1	210.2	132.3	168.3	
Chicks hatched by commercial hatcheries	**Millions**	Apr.	312.0	287.5	308.9	May	248.5	229.8	225.3	Replacement hatch cut off abruptly
Young chickens on farms	**Millions**	June 1	555.5	467.1	499.5	July 1	555.6	459.4	471.1	Greater net decline than last year in June
Farm price of poultry ration	**Dol. per cwt.**	May	3.57	3.92	3.97	June	3.58	3.86	3.90	Reversal of previous upward price trend
		POULTRY								
Price received by farmers for chickens, live:										
Broilers	Ct. per lb.	May	30.4	27.2	23.5	June	30.4	26.2	24.2	Wide spread between broilers and others
Farm chickens	Ct. per lb.	May	26.1	25.1	19.6	June	25.6	22.8	18.9	
All chickens	**Ct. per lb.**	May	27.8	26.5	22.5	June	27.5	24.9	22.6	
Price received by farmers for all chickens as a percentage of parity	**Percent**	May	108	86	75	June	108	82	76	
Retail price of broilers and fryers, dressed (AMS) 1/	**Ct. per lb.**	Apr.	48.8	53.0	49.5	May	48.4	52.8	48.0	
Price received by farmers for turkeys, live	**Ct. per lb.**	May	32.0	32.5	30.5	June	32.0	31.7	30.1	
Stocks:										
Poultry, excluding turkeys	**Mil. lb.**	May 1	91.9	68.0	105.4	June 1	77.7	63.8	98.5	
Turkeys	**Mil. lb.**	May 1	57.8	72.3	79.3	June 1	51.0	59.7	66.9	
Chicken-feed price ratio	**Lb. feed**	May	8.0	6.8	5.7	June	7.8	6.5	5.8	
Turkey-feed price ratio	**Lb. feed**	May	9.2	8.3	7.7	June	9.1	8.2	7.7	
Average weekly placement of chicks in 11 broiler areas	**Millions**	May	---	15.5	16.0	June	---	15.0	15.6	

1/ The 10-year averages in this line are not precisely comparable to the averages for the individual months, since prior to April 1949 this item was reported as "chickens", and since then as "broilers and fryers".

THE POULTRY AND EGG SITUATION

Approved by the Outlook and Situation Board, July 12, 1954

SUMMARY

The seasonal rise in egg prices had not yet begun by early July except for the top grades on both Coasts. Although monthly egg output for the rest of the year will be seasonally lower than present levels, it will exceed a year earlier by larger percentages than so far in 1954. The hatch of replacement chicks for January-March was 18 percent larger than a year earlier and pullets from these chicks are already beginning to lay. However, the hatch tapered off sharply in the spring, and in May was below last year.

Egg prices during the remainder of the year will remain considerably below last year because of larger production. Through June, production on farms was 3 percent larger than in 1953, and prices received by farmers in the last 4 months averaged 35 cents per dozen, compared with 45 cents in the same period of 1953. The March-June 1954 prices averaged 85 percent of parity.

The hatch of turkey poults has also been large. To June 1, hatcheries produced 6 percent more heavy-breed poults than in the comparable 1953 period, and 19 percent more light-breed poults. If death losses among these poults are no higher than last year's record lows, and if hatchery activity the remainder of the season is in line with last year's output, a record or near-record turkey crop will result.

Broiler prices to farmers rose slightly in June, to a U. S. mid-month average of 24.2 cents compared with 23.5 cents the month before and 26.2 cents a year ago. Placements in specialized producing areas indicate that supplies for the next 10 to 13 weeks will continue at near-record levels.

SITUATION AND OUTLOOK

Egg Prices to Rise Seasonally

The seasonal rise in egg prices had not yet begun by early July except for top grades of large eggs on both Coasts. In late June when the rise began for the better grades, the egg market had reached the lowest flush-season level since 1950. (See tables 1 and 2.) The record production which is likely in each month during the remainder of this year will hold prices considerably below 1953. The greatest percentage gain in output over 1953 probably will occur in August or September.

The springtime lows of egg prices came relatively late this year. The relatively slow seasonal increase in production from December to the beginning of February was partly responsible. During February, production rose sharply. Prices broke and then declined slowly at most levels of trade until late June. Since then, the nearby large eggs have risen slightly in Eastern and Pacific Coast markets. (Table 2.) In March, April, and May, egg production was 5, 3, and 4 percent above the corresponding months of 1953.

As usual, storage holdings of both frozen and shell eggs continued to increase during those months. For frozen egg, March and April in-movements considerably exceeded last year, and by the end of May U. S. holdings were 27 percent larger than the comparable 1953 stocks. At that level, on June 1, 1954 the stocks were 5 percent higher than the 1953 peak first-of-month (July) stocks. For shell eggs, first-of-month stocks on April 1 exceeded 1953, but for the two following months were slightly below 1953; for May 1 and June 1, the shell egg holdings were record low for the date since reporting was begun in 1916.

Table 1. - Eggs: Mid-month average price per dozen received by farmers, and annual average, 1950 to date

Month	1950	1951	1952	1953	1954
	Cents	Cents	Cents	Cents	Cents
January	31.2	42.6	40.5	45.8	46.3
February	29.6	41.4	34.7	42.0	45.7
March	31.6	43.7	34.0	44.7	38.7
April	30.9	43.2	35.2	45.5	35.0
May	29.6	45.2	34.2	45.9	33.1
June	30.1	44.7	35.7	45.7	32.9
July	34.3	46.6	43.3	47.7	
August	38.0	49.6	48.2	50.2	
September	40.4	55.0	48.7	51.4	
October	43.2	55.6	50.3	53.2	
November	45.8	56.5	51.9	49.7	
December	57.7	51.1	46.6	48.5	
Weighted average	36.3	47.8	41.6	47.6	

Table 2.- Eggs: Prices per dozen, selected dates, 1954

Item	Mid-month prices 1/						
	January	February	March	April	May	June	July
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Received by farmers:							
U. S. average price	46.3	45.7	38.7	35.0	33.1	32.9	
Iowa ("mostly")							
Grade A, Large	40-41	41-42	32-34	28-30	28-29	27-28	26-28
Grade A, Medium	34-36	36-37	30-31	25-26	24-25	22-24	18-21
Current receipts	37-38	38-39	30-32	25-26	25-26	24-25	18
Wholesale prices:							
New York							
Mixed colors (including Midwestern)							
Extras, Large 2/	49-50	47-48	42-42½	38-39½	39-40	37-37½	40½-42½
Medium	46-47	45½-46	40½-41	36-37	34-35	33½-34	32½-33
White (including Nearbys)							
Large	51½-53	47-48	44½-45½	49-51	40-41½	40-41	45-47
Medium	48-48½	45-46	41-41½	42-44	34-35	34½-35½	34-35
Small	44-45	---	---	33½-34	29-30½	28-28½	27-27½
Frozen egg (carlots), per pound 3/							
Mixed whole egg	36½-37½	35½-37½	30½-33	25½-29	27-29	26-28	23-24
Yolk, highest color quoted	61-63	62-63	52-55	47-48	48-49½	50-51	51-52
Albumen	23-27	21-33	21½-22½	18-20	17½-19	15-17	13-15
Chicago							
Mixed colors, Extras, Large	46½-47	45½-46	39-39½	35½-36	36-36½	34½-35	40-41
Future contracts,							
September delivery, closing price	45.70	47.05	44.45	41.35	41.75	40.55	39.55
San Francisco							
Grade A, Large	54½-55½	52½-53½	42½-43½	42½-43½	40½-41½	43½-44½	4/49½-50½
Grade A, Medium	53-53½	51-51½	39-39½	40-40½	37-37½	37-37½	4/44-44½

1/ As of the 15th of each month, or first business day thereafter, except July, which is July 9. 2/ Highest quoted class. 3/ Average for the week including the 15th., except July. 4/ July 8.

Table 3 .- Eggs: Monthly commercial supply from farm production, and average prices, January 1952 to date 1/

Year and month	Egg production on farms	Net cold storage movements, shell and frozen equivalent: Out	Net cold storage movements, shell and frozen equivalent: In	Eggs for hatching	Government purchases for surplus removal 2/	Effective supply in commercial channels (Including U.S. Armed Forces	U.S. average farm price per dozen	U.S. average retail price (AMS) per dozen
	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases	1,000 cases	Cents	Cents
1952								
Jan.	14,894	270		793		14,371	40.5	59.8
Feb.	15,744		899	1,219		13,626	34.7	55.8
Mar.	17,739		1,270	1,208		15,261	34.0	54.5
Apr.	17,072		1,287	900		14,885	35.2	56.0
May	16,494		1,901	486		14,107	34.2	55.5
June	13,864		707	354		12,803	35.7	56.6
July	12,311	709		327		12,693	43.3	69.2
Aug.	11,461	1,053		333		12,181	48.2	70.5
Sept.	11,336	997		360	125	11,848	48.7	71.9
Oct.	12,139	1,445		366	83	13,135	50.3	74.9
Nov.	12,417	1,201		395	17	13,206	51.9	73.3
Dec.	13,931	819		522	1	14,227	46.6	55.6
1953								
Jan.	15,044	427		709		14,762	45.8	64.9
Feb.	14,733		321	1,154		13,258	42.0	59.8
Mar.	17,422		719	1,198		15,505	44.7	63.5
Apr.	16,856		1,318	958		14,580	45.5	64.0
May	16,239		1,480	569		14,190	45.9	64.0
June	13,978		795	403		12,780	45.7	65.1
July	12,844	493		379		12,958	47.7	67.8
Aug.	12,025	876		362		12,539	50.2	69.9
Sept.	11,639	945		408		12,176	51.4	73.1
Oct.	12,778	804		448		13,134	53.2	74.7
Nov.	13,289	822		484		13,627	49.7	68.6
Dec.	14,553	541		577		14,517	48.5	66.5
1954								
Jan.	15,133	112		803		14,442	46.3	65.1
Feb.	15,211		148	1,293		13,770	45.7	64.3
Mar.	18,347		1,614	1,287		15,446	38.7	56.7
Apr.	17,419		1,442	939		15,038	35.0	53.8
May	16,864		1,407	3/ 530		14,927	33.1	52.2
June	14,586						32.9	

1/ Corresponding data for prior months are given in The Poultry and Egg Situation, June 1951, table 5, page 12 and Mar.-Apr. 1952, table 1, page 5.

2/ Surplus removal purchases for 1952 entered according to month of scheduled delivery.

3/ Estimated on basis of eggs in incubators June 1.

Table 4.- Shell eggs: Weekly storage movements and spread between futures and spot prices, Chicago, January 1954 to date

Week ending	Storage holdings at end of week in:		Movement of eggs during week in:		Price, per dozen		
	35 cities	Chicago	35 cities	Chicago	Weekly average: Large, mixed colors, Extras, Chicago	Egg futures contracts, September delivery 2/	Spread between futures and spot prices
	Thous. cases	Thous. cases	Thous. cases	Thous. cases	Cents	Cents	Cents
Jan. 2	50	17	+1	+5	45.8	44.2	-1.6
9	44	12	-6	-5	46.2	44.8	-1.4
16	37	6	-7	-6	46.4	45.3	-1.1
23	36	3	-1	-3	47.8	46.5	-1.3
30	32	1	-4	-2	48.1	46.3	-1.8
Feb. 6	30	1/	-2	-1	46.2	46.5	0.3
13	28	1/	-2	1/	47.2	47.5	0.3
20	55	2	27	1	43.7	46.8	3.1
27	77	5	22	3	42.3	46.6	4.3
Mar. 6	106	12	29	7	41.9	46.4	4.5
13	150	23	44	11	39.8	44.9	5.1
20	203	35	53	12	39.2	44.9	5.7
27	255	51	52	16	39.2	44.3	5.1
Apr. 3	321	74	66	23	36.4	42.4	6.0
10	337	95	16	21	36.9	41.8	4.9
17	367	109	30	14	36.2	41.2	5.0
24	428	136	61	27	37.8	42.4	4.6
May 1	486	164	58	28	38.2	42.7	4.5
8	602	203	116	39	35.4	41.4	6.0
15	756	258	154	55	33.8	41.2	7.4
22	857	308	101	50	36.2	41.8	5.6
29	955	361	98	53	36.1	41.4	5.3
June 5	1,016	395	61	34	34.4	40.5	6.1
12	1,120	449	104	54	34.3	40.4	6.1
19	1,162	479	42	30	35.8	40.8	5.0
26	1,202	494	40	15	36.1	40.3	4.2
July 3	1,219	508	17	14	33.1	38.6	5.5
10	1,200		-19		36.6	39.0	2.4

1/ Less than 0.5 thousand cases.

2/ Weekly average of daily closing prices.

When 1954 storage holdings moved well ahead of last year for frozen egg, and approached the 1953 level for shell eggs, storers remained interested in additional supplies only at successively lower prices. For shell eggs, this remained the case despite a favorable hedging margin between fresh eggs and future contracts in Chicago. The spread of about 5 or 6 cents (table 4) through most of the into-storage season contrasts with the 2 to 5 cents which was typical of the same months of 1953.

Although the more favorable hedging margin between fresh eggs and futures in Chicago did not induce an increase in storage of shell eggs over last year, it probably was a factor in the higher proportion of the total stored in or near Chicago. Eggs stored outside of Chicago can be tendered to satisfy future contracts there only at a discount equivalent to freight charges to that city. Table 5 shows that the proportion of the stored eggs which are held in or within easy reach of Chicago, is higher this year than last year, and close to the peak of other recent years.

Table 7 shows that relatively few shell eggs moved into storage before the end of February, by which time the largest part of the price drop had occurred. For the most part, the into-storage movement occurred at lower prices than were anticipated last winter, although at higher prices than existed in early July. This is true to a lesser extent in the futures market. Most of the open interest in Chicago shell egg futures was acquired relatively earlier than egg storage stocks were built up (table 6).

Chick Hatchings Taper Off Sharply

This spring's hatch of chicks for laying flock replacement tapered off early. Hatchery output of replacement chicks from January through March was 18 percent above the corresponding 1953 production. On April 1, 19 percent, or 40 million, more young chickens were on farms than a year earlier. However, the May replacement hatch was 6 percent less than the corresponding 1953 figure and the June hatch was probably even farther below last year. On July 1, the number of young chickens on farms was 3 percent, or 12 million, higher than a year earlier.

Hatchery output of replacement chicks, and numbers of young chickens on farms, show the effects of the egg price decline from January-February to May and June. Early in the year when egg prices held favorable, chick and young chicken numbers were up. Since then, the hatchery output of replacements has fallen below corresponding 1953 output, so the number of young chickens on farms no longer exceeds 1953 by so wide a margin as existed earlier in the year.

Table 8 shows that the North Central and South Atlantic Regions had about the same number of young chickens on July 1 as last year, contrasted to the increases they showed on April 1. As of July 1, the net increase in young replacement chickens on farms was in the North Atlantic, South Atlantic, and Western regions.

Table 5.- Geographic pattern of June 1 shell egg storage holdings, 1948 to date

Year	Absolute numbers				Percentage of U.S. total		
	United States	North Central States	Illinois including Chicago	Chicago	North Central States	Illinois including Chicago	Chicago
	Thous. cs.	Thous. cs.	Thous. cs.	Thous. cs.	Percent	Percent	Percent
1948	4,903	2,559	1,307	1,268	52	27	26
1949	1,943	736	311	292	38	16	15
1950	3,412	1,859	1,166	1,137	54	34	33
1951	2,083	850	384	353	41	18	17
1952	3,184	1,715	947	887	54	30	28
1953	1,431	629	215	197	44	15	14
1954	1,308	628	381	361	48	29	28

Table 6.- Shell egg future contracts, Chicago: Weekly price ranges and net changes in open interest, March 1954 to date.

Date	Range of closing prices in week ending on given date per dozen. September contracts		Open interest		Net increase during week in open interest 1/	
	Low	High	September	All contracts	September	All contracts
	Cents	Cents	Contracts	Contracts	Contracts	Contracts
March 6	45.45	46.95	1,887	2,541	42	143
13	44.20	45.65	1,968	2,655	81	114
20	44.45	45.25	1,908	2,654	-60	-1
27	43.60	44.55	2,048	2,907	140	253
April 3	41.25	43.95	2,035	3,020	-13	113
10	41.30	42.15	2,219	3,230	184	210
17	40.80	41.35	2,268	3,355	49	125
24	41.45	42.95	2,380	3,514	112	159
May 1	42.20	43.45	2,578	3,781	198	267
8	40.90	41,80	2,780	4,002	202	221
15	40.60	41.65	2,949	4,222	169	220
22	41.55	42.10	3,022	4,276	73	54
29	40.90	41.75	3,226	4,469	204	193
June 5	39.90	40.90	3,367	4,726	141	257
12	40.00	40.80	3,296	4,575	-71	-151
19	40.20	41.35	3,174	4,465	-122	-110
26	39.45	41.05	3,231	4,589	57	124
July 3	38.00	39.10	2,982	4,440	-249	-149
10	38.40	39.55				

1/ Commitments as of Friday of given week. Each contract is 480 cases.

Table 7.- Shell and frozen egg: Price levels at which storage stocks were accumulated, 1954

(a) Shell eggs

Date	Price per dozen in week ending on given date 1/		Storage stocks		
			U.S. stocks first of month	35 city stocks, weekly	
	Low	High		Total	Net increase during the week
	Cts.	Cts.	Thous. cs.	Thous. cs.	Thous. cs.
March 6	40½	43½	135	106	29
13	39	40½		150	44
20	39	39½		203	53
27	38	40		255	52
April 3	34	38½	443	321	66
10	34½	40½		337	16
17	35½	36½		367	30
24	35½	39½		428	61
May 1	36	39½	728	486	58
8	34½	36½		602	116
15	32½	34¾		756	154
22	35½	36½		857	101
29	35¼	36½		955	98
June 5	33½	35	1,308	1,016	61
12	34	34½		1,120	104
19	34¼	37½		1,162	42
26	34½	37½		1,202	40
July 3	32½	34		1,219	17
10	33½	41		1,200	-19

(b) Frozen egg

Date	Low	High	U.S. stocks first of month	Total	Net increase during the week
	Cts. per lb.	Cts. per lb.	Mil. lb.	Mil. lb.	Mil. lb.
May 6	34	36	42	23	2
13	32	35		27	4
20	30½	33		32	5
27	30	32½		38	6
April 3	28	31	92	44	6
10	27	30		50	6
17	25½	29		56	6
24	26½	29		62	6
May 1	28½	30½	136	67	5
8	27½	30		73	6
15	26½	29		77	4
22	27	29		82	5
29	27	29		85	3
June 5	27	29	168	89	4
12	26	28		93	4
19	26	28		97	4
26	26	26½		100	3
July 3	25	26		104	4
10	23	24		106	2

1/ For shell eggs, mixed colors, Extras in Chicago, for frozen egg, carlots, mixed whole eggs, highest quoted quality, New York City.

Replacement chicks bought by farmers in January-April will be laying eggs in the next few months and egg output through October probably will run well above a year earlier. Later this year and next spring, the increase in egg production over a year earlier probably will not be so large, reflecting the decline in the replacement hatch in late spring.

The probable increase over last year in the proportion of sexed pullets among farmers' chick purchases also will contribute to an increase in egg production. In February, farmers intended to buy 44 percent of their chicks as sexed pullets against 42 percent in 1953. In March, April, and May, hatcheries reported that they sexed 121, 119, and 94 percent as many chicks as in the respective months of 1953.

Table 8. - Young chickens on farms available data, 1953 and 1954

Date	1953	1954	Difference, 1954 from 1953	
			Percent	Numbers
	Millions	Millions	Percent	Millions
April 1	214	254	19	40
May 1	377	407	8	30
June 1	467	500	7	33
July 1	459	471	3	12

Table 9. - Young chickens on farms by regions, April 1 and July 1, 1953 and 1954

Region	April 1			July 1		
	1953	1954	Difference	1953	1954	Difference
	Millions	Millions	Millions	Millions	Millions	Millions
N. Atlantic	40	51	11	76	81	5
E. N. Central	47	55	11	102	102	---
W. N. Central	38	48	10	133	133	---
S. Atlantic	26	28	2	44	44	---
S. Central	42	48	6	66	70	4
Western	21	24	3	38	41	3
Total U. S. 1/	214	254	40	459	471	12

1/ Computed from unrounded data.

Table 10.- Chicks: Production, presumed distribution between broilers and other purposes, and relation to numbers of young chickens on farms and chickens raised, monthly for January through July, 1951 to date *

Month	Production of chicks in commercial hatcheries	Reported broiler placements in specialized areas 1/	Presumed total commercial broiler placements 2/	Presumed number of chicks for other (than broiler) purposes 3/		Young chickens on farms, first day of following month	
				Total for the month	Cumulative for the season	Number	As a percentage of cumulative number of non-broiler chicks
	Million	Million	Million	Million	Million	Million	Percent
1951							
Jan.	96	35	69	27	27		
Feb.	161	37	73	88	115		
Mar.	270	42	82	188	303	201	66
Apr.	317	44	86	231	534	406	76
May	271	44	86	185	719	523	73
June	143	42	82	61	780	508	65
July	105	40	78	27	807		
7-month total	1,363	284	556	807			
1952							
Jan.	122	52	90	32	32		
Feb.	190	58	100	90	122		
Mar.	293	60	103	190	312	218	69
Apr.	290	52	90	200	512	382	74
May	216	50	86	130	642	477	74
June	117	48	83	34	676	463	68
July	85	44	76	9	685		
7-month total	1,313	364	628	685			
1953							
Jan.	125	53	95	30	30		
Feb.	170	49	88	82	112		
Mar.	277	59	105	172	284	214	75
Apr.	287	58	104	183	467	377	81
May	230	59	105	125	592	467	79
June	137	55	98	39	631	459	73
July	97	50	89	8	639		
7-month total	1,323	383	684	639			
1954							
Jan.	138	66	102	36	36		
Feb.	193	62	95	98	134		
Mar.	310	72	111	199	333	254	76
Apr.	309	71	109	200	533	407	76
May	225	71	109	116	649	500	77
June		67	103			471	

1/ 1951, 7 specialized areas; 1952 and 1953, 11 areas; 1954, 14 areas.

2/ Placements in the specialized areas in the preceding column were presumed to be 51 percent of the total broiler placements in 1951; 58 percent in 1952; 56 percent in 1953 and 65 percent in 1954.

3/ Without allowance for variations in chicks destroyed, in number for nonfarm (backyard) rearing, or farm-hatched chicks.

*This table should be considered as illustrative of a means of computing separate numbers for broiler and replacement chicks, and should not be taken as an official estimate of those items.

This table replaces the corresponding table which was published in the May-June Poultry and Egg Situation. On account of errors in the earlier table, it should not be used and this one should be substituted.

Culling of Hens

The Crop Reporting Board has reported that culling of hens has been heavy due to lower egg prices. The July 1 number of layers on farms, 306 million, is 74 percent of the number of potential layers on farms the preceding January 1. This percentage is the same as that which existed a year ago at the same time, but the flock on July 1, 1954 included a larger number of new pullets whose presence had in turn been offset by the culling of more birds from last year's hatch.

This culling occurred despite low prices for hens which would ordinarily discourage selling off the layers before they end their laying season. Current prices are 10-11 cents per pound in Iowa for old hens, compared with 18-19 cents a year ago. In the price data which are available on a U. S. basis, hens are the largest item in "farm chickens," which in mid-June were 18.9 cents per pound compared with 22.9 cents the year before.

Table 11.- Disappearance of layers since January 1954, by regions, with comparisons to 1953

Region	1953					1954				
	Potential layers on farms Jan. 1	Layers on farms first of month as a percent of Jan. 1 potential layers				Potential layers on farms Jan. 1	Layers on farms first of month as a percent of Jan. 1 potential layers			
		Apr. 1	May 1	June 1	July 1		Apr. 1	May 1	June 1	July 1
	Mil.	Pct.	Pct.	Pct.	Pct.	Mil.	Pct.	Pct.	Pct.	Pct.
N. Atlantic	72	83	79	76	76	75	84	80	77	77
E.N. Central	79	86	82	78	75	81	86	81	78	74
W.N. Central	103	88	84	78	73	106	89	83	79	74
S. Atlantic	41	80	78	76	73	41	80	78	76	73
S. Central	67	82	79	76	73	67	84	81	76	73
Western	42	83	79	74	71	43	86	81	77	74
United States	404	85	81	77	74	414	85	81	78	74

Broilers: Prices Pick Up, Supply Continues Large

Broiler prices during June were somewhat higher than in 3 of the 4 previous months, but still 2 cents below a year earlier. Recent chick placements and egg settings have been slightly below the peak levels reached earlier in the year, but well above comparable 1953 figures.

At a U. S. average of 24.2 cents in mid-June, a pound of broiler was equal in value to 4.5 pounds of broiler mash. This is in line with the monthly ratios since December 1953, but is sharply lower than the 1953 average of 5.2.

Table 12.- Broiler prices, selected data, 1954, with comparisons

Location, description	Weight or class	1953 June 15	1953 July 15	1954 February 15	1954 May 17	1954 June 15	1954 July 9
		Cents	Cents	Cents	Cents	Cents	Cents
Prices received by farmers at farm:							
U. S. average (mid-month)		26.2	28.2	22.6	23.5	24.2	
Del-Mar-Va	3½ lbs. and under	24½-25¾	30-31	21-22½	24-25	24½-25	25¼-25¾
North Georgia	3½ lbs. and under	25-25½	28-29	20½-21½	22½-23½	21½-23	24-25
N. W. Arkansas	3½ lbs and under	25-26	27-28	21	23-24	22	24-25
East Texas	2½-3 lbs.	27	29	23	23-24	25	1/26
California 2/	Fryers	24-25	27-30	22-24	25-29	27-29	1/25-26
Wholesale prices:							
Iced, ready-to-cook							
Chicago	Broilers or fryers	41½-42	46-47	36½	38½	36½	40½
San Francisco	Fryers	53½-55½	55-57½	50½-52½	48½-52½	50-57	1/48-52
New York dressed							
New York	3 lbs.	29½-32½	35½-38	26½-30½	29-31½	30-32½	31-34

1/ July 8. 2/ San Joaquin Valley.

Table 13.- Broilers: Ages of flocks listed for sale at the Eastern Shore Poultry Growers' Exchange, Wednesdays, April 14 to date

Date	Total flocks listed for sale	Number of flocks at specified ages (weeks): 10	10½	11	11½	12	12½	13	13½	14
	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
April 14	22	1	2	9	3	5	---	1	1	---
21	51	1	3	13	9	15	3	7	---	---
28	55	1	---	14	13	22	4	1	---	---
May 5	50	---	1	21	9	14	3	2	---	---
12	54	2	4	20	10	14	3	1	---	---
17	35	2	1	21	4	6	---	1	---	---
26	38	8	2	16	8	4	---	---	---	---
June 2	49	3	9	24	7	4	1	---	---	1
9	31	4	3	12	6	6	---	---	---	---
16	29	1	5	14	3	6	---	---	---	---
23	36	6	2	17	3	8	---	---	---	---
30	26	1	2	13	1	5	3	1	---	---
July 7	58	0	7	32	10	9	---	---	---	---

The number of broilers reaching marketable weights in the next 3 months will probably be slightly larger than a year earlier, according to recent placement data. Table 13 shows the variation in the ages of broiler flocks offered for sale in recent weeks over the auction on the Del-Mar-Va Peninsula, which are perhaps older than other chickens sold in the area.

The monthly data in table 14 indicate that the national supply of broilers, as measured by previous chick placements, has been reasonably stable over the past several months. Consequently, the price changes in the period were due principally to changes in demand or to changes in local supply.

Chick placement data (table 15) indicates relatively little change among areas since the beginning of the year, although some abrupt changes would have been apparent had the table been carried back further. 1/It shows that the broiler supply now is less responsive to changes in price than it was a few years ago. As broiler financing has become a dominant factor in production, both financier and producers have tended to hold output at a steady pace.

Turkeys: Prices Declined, Large Crop Growing

Prices of 1953 crop turkeys sold from storage dropped as much as 8 cents per pound for hens during May and June, and as much as 4 cents for toms. Marketings of fresh turkeys, seasonally small in those months, were priced in line with turkeys from storage. Storage holdings of turkeys on June 1 exceeded a year ago by 7 million pounds (12 percent), and this year's production will also be larger than last year's.

Through May, hatchery production of turkey poults was 6 percent ahead of last year for heavy breeds, and 19 percent ahead of last year for light breeds, a combined increase of slightly over 8 percent. Eggs in incubators June 1 suggested a June hatch slightly above last year. By the end of June last year, hatchings of heavy breeds were 96 percent completed, and 67 percent of that year's hatchings of light-breed turkeys were completed. In terms of numbers an 8 percent increase over last year's 56.5 million turkeys raised would equal the 1952 record of 60.9 million.

Comparable monthly data for poults for the years before 1953 are not available, but the record of farmers' marketings by months shows a strong trend toward earlier marketing. Several factors influence these trends. In some northern areas the basis for this probably is a desire to avoid death losses of fully grown turkeys which may still be on range in late fall when storms and bad weather are frequent. In southern areas, there is the desire to have poults beyond the brooder stage before extreme hot weather begins. Throughout the country, breeders have found that the hatching egg yield from turkey hens is larger if they are brought into lay early in the season, under recently-devised techniques of lighting, and improved management of toms. In addition, some flock owners of breeder turkeys prefer to sell their birds relatively early in the laying season, sacrificing the hen's last few eggs in favor of a possibly higher meat price than would be realized later. The result of all this is that the turkey season, from the production viewpoint, is now earlier than it was 10 years ago.

1/ See Jan-Feb 1954 Poultry and Egg Situation

Table 14.- Broilers: Placements in specialized areas and U. S. average mid-month price received by farmers with cost of broiler mash and resulting broiler-feed price ratio.

Month	Average weekly rate of broiler placements in specialized areas 1/		U.S. mid-month averages: Price received by farmers for broilers, per pound		U.S. mid-month averages: Price paid by farmers for broiler mash, per cwt.		Broiler-feed price ratio	
	1953	1954	1953	1954	1953	1954	1953	1954
	Millions	Millions	Cents	Cents	Dollars	Dollars	Pounds	Pounds
January	10	13	28.2	24.6	5.46	5.23	5.2	4.7
February	11	15	27.9	22.6	5.38	5.26	5.2	4.3
March	12	15	28.2	23.4	5.34	5.32	5.3	4.4
April	14	15	28.1	24.5	5.32	5.41	5.3	4.5
May	14	16	27.2	23.5	5.28	5.51	5.2	4.3
June	16	16	26.2	24.2	5.26	5.39	5.0	4.5
July	16	17	28.2		5.23		5.4	
August	16	16	28.0		5.23		5.4	
September	15	16	27.4		5.22		5.2	
October	13		27.0		5.14		5.2	
November	12		26.2		5.09		5.1	
December	12		23.4		5.23		4.5	
Annual average	13		27.1		5.26		5.2	

1/ Placements 3 months earlier, approximately resulting in marketings in given month. Entries for January-March 1953 are 11 areas; otherwise, 14 areas.

Table 15.- Average weekly rate of broiler placements, 14 specialized areas, January 1954 to date

Area	January	February	March	April	May	June
	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.
Alabama	853	966	1,113	1,071	1,044	994
Arkansas	1,069	1,083	1,085	1,075	1,117	1,023
California	1,176	1,140	1,171	1,247	1,162	1,095
Connecticut	441	521	521	459	546	533
Del-Mar-Va	2,763	2,786	2,811	3,136	2,676	2,648
Florida	258	257	299	264	250	211
Georgia	2,825	2,961	3,208	3,192	3,248	3,308
Indiana	814	821	813	838	818	769
Maine	554	560	590	631	588	619
Mississippi	863	890	970	958	877	878
North Carolina	1,103	1,148	1,198	1,181	1,210	1,186
Oregon	94	126	144	134	156	131
Shenandoah Valley	769	870	876	929	902	815
Texas	1,430	1,410	1,570	1,522	1,378	1,375
Total, 14 areas	15,012	15,539	16,369	16,637	15,972	15,585

Table 16 - Turkey prices, per pound: Selected series, October 1951 to date

Season	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
	(a) U. S. average farm price, mid-month (live)											
1951-52	35.8	37.8	39.6	37.1	36.1	34.5	34.5	32.0	32.3	31.9	32.6	33.2
1952-53	32.9	33.7	34.6	33.6	33.3	33.6	33.3	32.5	31.7	32.3	32.7	32.4
1953-54	33.3	33.9	34.4	33.2	33.2	33.1	32.8	30.5	30.1			
	(b) Live, heavy type young toms, San Joaquin Valley, California, first day of month 1/											
1951-52	29-30	31½-32	36-37	34-35	34-37	---	25-26	24-26	25-27	---	27	30½-32
1952-53	28-29	29-30	29½-30	28½-29½	---	---	---	29	---	---	29½-31	29-29½
1953-54	28-29	28-29	28-29	29-30	---	---	---	26	25-26	24-25		
	(c) Frozen eviscerated toms, heaviest weights quoted, New York City, first day of month 1/											
1951-52	64-66	60-63	60-63	59-61	59-61	58-58½	56-58½	59-61	60-63	57-60	57-59	61-64
1952-53	58-60	54-58	53-57	53-55	55-56½	53-55	52-55	56-58½	56-60	55-59	56-59	55-57
1953-54	55-59	53-56	51½-54	51-54	51-54	51½-54½	49½-53½	49-53½	50-52	46½-49		
	(d) Frozen eviscerated hens, 12-14 pounds, New York City, first day of month 1/											
1951-52	63-65	56-66	66-69	65-67	65-67	61-63	57-60	59-62	59-62	56-59	55-57	57-59
1952-53	57-59	56-59	56-58	56-59	56-58	54-57	54½-57	62-64	61-64	59-61	56-59	55-57
1953-54	56-57	58-60	59-60½	60-61½	60-61½	60-61½	59½-61½	---	---	51-53		
	(e) Live, Beltsville Small Whites, Shenandoah Valley, Virginia and West Virginia, first day of month 1/											
1951-52	38-39	43	41-43	39-40	36-38	37-39	38-39	35	35	30	30	35
1952-53	36-37	37-38	37-38	42	40½	42-43	42-43	38	35	33	32-33	33
1953-54	33-33½	36½	37½	37	35	37	33	30	30-31	27-29½		
	(f) Ice-packed New York dressed, Beltsville Small Whites, New York City, first day of month 1/											
1951-52	48½-49	53-54	50-51	---	47½-48	48-50	49½-50	46-47	43-44	41-41½	39-39½	45-46
1952-53	47½-48	47½-48	49-50	53½-54	52½-53	55½-56	51-52	48-49	43-44½	43-44	41½-42	42½-43
1953-54	41½-42	44-45	46½-47	47-48	44½-45	44½-45	42½-43	38½-39	36-37	36½-37		

1/ Or first following day when quotation is available.

However, sharp increases in early supplies of turkey have been accompanied by an increased demand for early turkeys. Although use of turkey has been spread throughout the year to a much greater extent than formerly, Thanksgiving and Christmas remain the days of peak demand. Perhaps half of the annual consumption occurs in November and December. Because of the trend toward earlier marketings an increasing proportion of the turkeys must be stored before ultimate sale.

Per Capita Consumption of Eggs Near Last Year

While egg production on farms so far in 1954 has been 3 percent larger than last year and retail egg prices in recent months have been lower than a year ago, per capita disappearance has not risen correspondingly. However, total consumption has increased because of the gain in population. Increased movement of eggs to frozen storage, and increased use of eggs for hatching, have absorbed the remainder of the gain in production over last year.

Table 17.- Eggs: Monthly civilian disappearance, and average retail prices, January 1953 to date

Month	Civilian disappearance				U. S. average retail price per dozen, AMS	
	Total		Per capita			
	1953	1954	1953	1954	1953	1954
	Million dozen	Million dozen	Eggs	Eggs	Cents	Cents
January	480.7	467.1	37.1	35.1	64.9	65.1
February	440.3	455.1	34.0	34.1	59.8	64.3
March	502.1	499.1	38.3	37.3	63.5	56.7
April	465.0	469.5	35.4	35.1	64.0	53.8
May	445.0	464.5	34.2	34.6	64.0	52.2
June	402.4		30.5		65.1	
July	406.6		30.8		67.8	
August	395.4		29.9		69.9	
September	384.5		29.0		73.1	
October	421.3		31.8		74.7	
November	433.3		32.6		68.6	
December	466.8		35.1		66.5	
Total or average	5,243.4		399.	1/(412)	66.8	

1/ Estimated.

Table 18.- Egg and poultry prices: Averages received by farmers, compared with other prices, United States, 1930 to date

(Data for cover chart)

Year	Prices received by farmers			Indexes of prices received by farmers (1935-39 = 100)			
	Per pound		Eggs per dozen	Poultry and eggs	Meat animals	Dairy products	All farm commodities
	Broilers	Turkeys					
	Cents	Cents	Cents				
1930		20.2	23.7	116	114	119	117
1931		19.3	17.6	89	78	93	81
1932		12.8	14.2	74	54	72	61
1933		11.6	13.8	67	50	73	65
1934	19.3	15.1	17.0	81	58	85	84
1935	20.0	20.1	23.4	105	98	96	102
1936	20.6	15.6	21.8	105	101	105	107
1937	21.4	18.1	21.3	101	111	110	114
1938	19.0	17.5	20.3	100	97	97	81
1939	17.0	15.7	17.4	87	94	92	89
1940	17.3	15.2	18.0	89	92	101	93
1941	18.4	19.9	23.5	111	122	118	116
1942	22.9	27.5	30.0	138	159	137	149
1943	28.6	32.7	37.1	174	174	166	180
1944	28.8	33.9	32.5	161	162	187	184
1945	29.5	33.7	37.7	180	177	192	193
1946	32.7	36.3	37.6	183	212	225	221
1947	32.3	36.5	45.3	203	281	229	258
1948	36.0	46.8	47.2	220	309	253	268
1949	28.2	35.2	45.2	201	266	212	234
1950	27.4	32.8	36.3	169	291	209	241
1951	28.6	37.4	47.8	207	350	240	282
1952	28.8	33.6	41.6	187	302	254	269
1953	27.1	33.6	47.6	201	255	229	241

Household Practices in the Use of Eggs 1/

The market for many foods is affected by the ways they are used in households. Eggs, for example, are used in cooking and baking in addition to being served in a variety of ways and at different meals. Suggestions for promoting consumption of foods can grow out of facts as to the extent of these uses and methods of preparation in different areas and by different income groups. To provide such facts and also to answer questions important to home economists, surveys of household practices in the use of selected foods were made by the Agricultural Research Service in Birmingham, Alabama and Indianapolis, Indiana, in the spring of 1953.

Nearly all households served eggs at the table (as recognizable eggs) one or more times during the week and four-fifths or more of the eggs were so used, as shown in the table following. (Only eggs purchased in the shell were included in the survey.)

Average use in each city was slightly over an egg per person per day. In Birmingham more eggs were used by high income than by low income families. In Indianapolis use of eggs was about the same for families in all income classes. In both cities the proportion of the total number of eggs served at the table was the same for families with different incomes.

Use of eggs in batters and doughs was greater in Birmingham than in Indianapolis, reflecting the more frequent making of hot breads by the southern families. In Indianapolis use of eggs in batters and doughs by higher income families was less than by those with lower incomes even though the proportion of households baking was similar. The greater use of commercial mixes by the high income families may have been an influence.

The number of households using eggs for food preparation other than in baking was influenced by family income in both cities. In Birmingham nearly twice as many high as low-income families reported this use; in Indianapolis, one and a half times as many. Greater use of eggs in this manner by higher income families probably reflects both the preparation of desserts and other dishes requiring eggs and the use of more than the minimum number of eggs called for in certain kinds of dishes.

1/ Prepared by Corinne LeBovit and Faith Clark, Home Economics Research Branch, Agricultural Research Service. The complete report, now in preparation, will provide additional data on uses of eggs as well as data on milk, butter, margarine, sugar, selected vegetables, and home baking. Findings are based on surveys of approximately 300 households of 2 or more persons in Birmingham, Alabama and Indianapolis, Indiana. The data were collected under contract with National Analysts, Inc.

Uses of Eggs in Birmingham and Indianapolis, Spring 1953

Uses	Birmingham				Indianapolis			
	All households	Income			All households	Income		
		Low	Middle	High		Low	Middle	High
	Percent of households using eggs in a week							
Any	98	97	99	99	99	100	100	98
Table use	97	96	95	99	98	99	97	98
In batters and doughs	65	61	69	63	45	58	49	31
For other food preparation	47	32	53	56	43	32	48	48
	Quantity used in a week per person (number)							
Total	7.4	6.4	7.2	8.7	7.2	7.1	7.2	7.3
	Percent of total eggs used in each way							
Total	100	100	100	100	100	100	100	100
Table use	81	81	79	82	87	87	87	87
In batters and doughs	12	14	13	10	6	8	6	5
For other food preparation	7	5	8	8	7	5	7	8

Eggs were served at meals other than breakfast quite frequently. More families served eggs for at least one meal in addition to breakfast than served them for breakfast only. Measured by the proportion of eggs used, however, breakfast use predominates, as shown below:

	Birmingham	Indianapolis
Percent of households serving eggs for table use one or more times in a week at:		
Breakfast only	42	36
Breakfast and other meals	53	58
Other meals only	2	4
Percent of eggs served as recognizable eggs that were served at:		
Breakfast	81	74
Other meals	19	26

Nearly half of the eggs reported for table use in both cities were fried. Scrambled eggs were nearly as popular as fried eggs in Birmingham. In Indianapolis about one-fifth of the eggs served were soft-cooked or poached; in Birmingham less than one-tenth. More high than low-income families in each city poached or soft-cooked their eggs. Off flavor is more noticeable in a soft-cooked or poached egg than in eggs prepared in other ways. Furthermore the firm white of a fresh egg is important in successful poaching. The relative popularity of poached and soft-cooked eggs in the two cities and among the income groups may have been related to price and availability of high quality eggs as well as to personal preference.

Following are data on the method of preparing eggs for table use in the two cities:

	Percent of households serving eggs one or more times in a week		Percent of eggs for table use prepared each way	
	Birmingham	Indianapolis	Birmingham	Indianapolis
Any method	97	98	100	100
soft-cooked	15	32	5	14
hard-cooked	45	48	13	14
fried	65	79	43	49
poached	11	21	4	7
scrambled	62	41	32	13
omelet	4	3	1	1
other methods	7	7	2	2

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